



HIGHER LEARNING COMMISSION

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February 4, 2016

President Barbara Wilson
University of Illinois at Urbana-Champaign
601 E. John Street
Champaign, IL 61820

Dear President Wilson:

The current budget impasse in Illinois that resulted in your institution and other public institutions in Illinois lacking basic funding from the state for the past several months raises significant accrediting concerns. The Higher Learning Commission (HLC) also sent a letter to Illinois government officials with regard to their role in the governance of Illinois higher education informing them of the accrediting concerns outlined in this letter.

While HLC understands that the crisis is not of your making and that your institution has done everything it could to avoid this situation, HLC nevertheless has a responsibility to students and the public to ensure that there are arrangements in place to assist students in the event that the institution must cease operations temporarily or permanently. HLC must also ensure that the institution continues to meet the Criteria for Accreditation as it struggles to deal with the consequences of the loss of basic funding to the institution and the loss of student scholarship monies (MAP funds).

HLC has a responsibility to ensure that while your institution remains open, it continues to meet HLC's Criteria for Accreditation. We are asking that you prepare a brief report on the current availability of financial, physical, and human resources required to support the institution (See Core Component 5.A.). In particular, this report should candidly explain:

- Your current cash situation and the specific financial challenges you may be immediately facing relative to payroll, vendors, and other essential expenses and services;
- Any cuts in full-time, part-time, or adjunct faculty or staff you have recently made or plan to make in the immediate future and the effect of such cuts on classes this semester and in the fall;
- The impact of the financial situation on the availability of textbooks, supplies, and related educational materials that support the curriculum and on maintenance and safety on campus and at other institutional locations;
- Your data and expectations for fall enrollment in light of concerns prospective students may have about the stability of higher education in the state; and
- Any other information that is necessary for HLC to know. This report shall also address how your institution has handled the loss of MAP funding.

Please review the enclosed information for further explanation of HLC's expectations for institutions planning to close or suspend operations.

In addition, HLC policy requires that an institution under threat of closure (or cessation of operations) file an emergency plan to ensure that students are protected. We are asking that you submit this plan if you have publicly indicated that your institution will close or suspend operations, your financial report filed in response to this letter indicates that you lack the cash to make it through this semester, or you unable to make payroll or pay vendors in a timely manner or to otherwise meet your financial obligation during this semester. This emergency plan should ensure that, in the event of a closure or cessation of operations:

- There are arrangements for students to continue their education at other accredited institutions that have not closed (Teach-Out);
- Students will continue to have access during this period to basic advising and registrar services including being able to request and receive transcripts; and
- There is a communication plan in place to assure that current and prospective students and families have accurate and timely information about the closing or cessation of operations so that they can plan for the future.

Your Accreditation Liaison Officer should work with your senior staff and with your HLC Staff Liaison, Jeffrey Rosen, to develop a plan addressing these expectations.

HLC policy allows the HLC President to request such documents from an institution when there is an institutional declaration of a financial emergency or intent to close. The policy also allows the HLC President to schedule Advisory Visits to do an on-site review of whether an institution in such circumstances still meets HLC's Criteria for Accreditation or whether its capacity may be at risk such that it should be placed on HLC sanction. If your report raises questions about your current or future financial capacity or if the situation in Illinois changes negatively in some way, I may decide to schedule an Advisory Visit.

Please send your report and possible Teach-Out plan to the attention of Karen Peterson Solinski, Executive Vice President for Legal & Governmental Affairs (x111 or ksolinski@hlcommission.org) or Zach Waymer, Manager for Legal & Governmental Affairs – State Relations & Institutional Complaints (x159 or zwaymer@hlcommission.org) no later than February 18, 2016. You should also contact these staff members if you have questions about this letter. Please provide a copy of the submission to your institution's Staff Liaison at HLC.

We appreciate your cooperation at this critical time for public higher education in Illinois.

Sincerely,



Barbara Gellman-Danley
President
Higher Learning Commission

Encl.: Closing or Suspending Operations Process
Letter to Illinois State Government Officials

Cc: Kristi Kuntz, Associate Provost for Academic Programs and Policies, University of Illinois at Urbana-Champaign
U.S. Department of Education
Illinois Board of Higher Education
Illinois Community College Board
Jeffrey Rosen, Vice President for Accreditation Relations and Director of the Open Pathway, HLC
Karen Peterson Solinski, Executive Vice President for Legal & Governmental Affairs, HLC
Zach Waymer, Manager for Legal & Governmental Affairs – State Relations & Institutional Complaints, HLC